

## **QUARTERLY REPORT**

### *RURAL HEALTH CARE NETWORK PILOT PROGRAM PROJECT*

WC Docket No. 02-60

Submitted by  
Health Information Exchange  
of Montana, Inc. (HIEM)  
310 Sunnyview Lane  
Kalispell, Montana 59901

#### **Project Coordinator:**

Kipman Smith  
Executive Director  
Health Information Exchange of Montana, Inc.  
c/o Northwest Healthcare  
310 Sunnyview Lane  
Kalispell, MT 59901  
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*Submitted April 22, 2011*

For reporting period ending  
March 31, 2011

## APPENDIX D

### Pilot Program Participants Quarterly Data Reports

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1. Project Contact and Coordination Information
  - a. Identify the project leader and respective business affiliations
  - b. Provide a complete address for postal delivery and the telephone, fax, and e-mail address for the responsible official.
  - c. Identify the organization that is legally and financially responsible for the conduct of the activities supported by the award.
  - d. Explain how the project is being coordinated throughout the state or region.

#### **Project Contact and Coordinator:**

Kipman Smith, Executive Director  
Health Information Exchange of Montana  
310 Sunnyview Lane  
Kalispell, MT 59901  
406-751-6687  
Fax: 406-756-2703  
[kipsmith@krmc.org](mailto:kipsmith@krmc.org)

The Health Information Exchange of Montana, Inc. is legally and financially responsible for the conduct of the activities supported by the award.

This project is being coordinated throughout the state and region through collaborative partnerships and agreements with statewide partners who are facilitating complementary network projects. Additionally the Health Information Exchange of Montana maintains memberships within organizations across Montana seeking to further deploy health information technology and infrastructure, throughout the state, the region and across the country.

2. Identify all health care facilities included in the network.
  - a. Provide address (including county), zip code, Rural Urban Commuting Area (RUCA) code (including primary and secondary), six-digit census tract, and phone number for each health care facility participating in the network.
  - b. For each participating institution, indicate whether it is:
    - i. Public or non-public;
    - ii. Not-for-profit or for-profit;
    - iii. An eligible health care provider or ineligible health-care provider with an explanation of why the health care facility is eligible under section 254 of the 1996 Act and the Commission's rules or a description of the type of ineligible health care provider entity.

**St. John's Lutheran Hospital**

(Non-public, not-for-profit, eligible health care provider)

350 Louisiana Ave.  
Libby, MT 59923  
406-293-0148  
Lincoln County, Montana  
RUCA: 7  
Census Tract: 0002.00

**St. Luke's Community Healthcare**

(Non-public, not-for-profit, eligible health care provider)

107 6th Avenue Southwest  
Ronan, MT 59864  
406-676-4441  
Lake County, Montana  
RUCA: 10  
Census Tract: 9405.00

**Northwest Community Health Center**

(Non-public, not-for-profit, eligible health care provider)

711 California Ave  
Libby, MT 59923  
406-293-3755  
Lincoln County, Montana  
RUCA: 7  
Census Tract: 0002.00

**Pondera Medical Center**

(Non-public, not-for-profit, eligible health care provider)

805 Sunset Blvd  
Conrad, MT 59425-0758  
406-271-3211  
Pondera County, Montana  
RUCA: 7  
Census Tract: 9770.00

**Marias Medical Center**

(Non-public, not-for-profit, eligible health care provider)

640 Park Avenue  
Shelby, MT 59474  
406-434-3200  
Toole County, Montana  
RUCA: 7  
Census Tract: 0002.00

**Northern Rockies Medical Center**

(Non-public, not-for-profit, eligible health care provider)

802 2<sup>nd</sup> Street Southeast  
Cutbank, MT 59427  
406-873-2251  
Glacier County, Montana  
RUCA: 7  
Census Tract: 9760.00

**Glacier Community Health Center**

(Non-public, not-for-profit, eligible health care provider)

519 E Main Street  
Cutbank, MT 59427  
406-873-2251  
Glacier County, Montana  
RUCA: 7  
Census Tract: 9760.00

**North Valley Hospital**

(Non-public, not-for-profit, eligible health care provider)

1600 Hospital Way  
Whitefish, MT 59937  
406-863-3500  
Flathead County, Montana  
RUCA: 7.4  
Census Tract: 0004.00

**Kalispell Regional Medical Center**

(Non-public, not-for-profit, eligible health care provider)

310 Sunnyview Lane  
Kalispell, MT 59901  
406-752-1724  
Flathead County, Montana  
RUCA: 4  
Census Tract: 0009.00

**Blackfeet Community Hospital**

(Public, non-for-profit, eligible health care provider)

760 Government Square  
Browning, Montana 59417  
406-338-6157  
Glacier County, Montana  
RUCA: 7  
Census Tract: 9402.00



**Heart Butte Health Station**

(Public, not-for-profit, eligible health care provider)

81 Disney Street  
Heart Butte, Montana 59448  
406-338-2151  
Pondera County, Montana  
RUCA: 10.6  
Census Tract: 9403.00

**University of Montana**

(Public, not-for-profit, eligible health care provider)

32 Campus Drive  
Missoula, MT 59812  
406-243-2964  
Missoula County, Montana  
RUCA: 1.0  
Census Tract: 0005.00

**Flathead Valley Community College**

(Public, not-for-profit, eligible health care provider)

777 Grandview Drive  
Kalispell, MT 59901  
406-756-3822  
Flathead County, Montana  
RUCA: 4.0  
Census Tract: 0008.00

**Polson Health (KRMC)**

(Private, for-profit, ineligible health care provider)

102 13<sup>th</sup> Avenue East  
Polson, MT 59860  
406-752-1724  
Lake County, Montana  
RUCA: 7.0  
Census Tract: 9403.00

**St. Luke Community Clinic**

(Private, not-for-profit, eligible health care provider)

104 Rufus Lane  
Polson, MT 59860  
406-676-4441  
Lake County, Montana  
RUCA: 7.0  
Census Tract: 9403.00

**Salish Kootenai College**

(Public, not-for-profit, eligible health care provider)

58138 US Highway 93

Pablo, MT 59855

406-275-4801

Lake County, Montana

RUCA: 10.0

Census Tract: 9404.00

**St. Luke Community Hospital**

(Private, not-for-profit, eligible health care provider)

107 6<sup>th</sup> Avenue SW

Ronan, MT 59864

406-676-4441

Lake County, Montana

RUCA: 10.0

Census Tract: 9405.00

**St. Luke Community Clinic**

(Private, not-for-profit, eligible health care provider)

330 6 Tract Lane

St. Ignatius, MT 59865

406-676-4441

Lake County, Montana

RUCA: 10.0

Census Tract: 9406.00

**Community Medical Center**

(Private, not-for-profit, eligible health care provider)

2827 Fort Missoula Road

Missoula, MT 59804

406-327-4073

Missoula County, Montana

RUCA: 1.0

Census Tract: 0009.00

**Community Physician Group**

(Private, not-for-profit, eligible health care provider)

2827 Fort Missoula Road

Missoula, MT 59804

406-327-4073

Missoula County, Montana

RUCA: 1.0

Census Tract: 0009.00

**Community Physician Group - North**

(Private, not-for-profit, eligible health care provider)

2230 North Reserve Street

Missoula, MT 59804

406-327-4073

Missoula County, Montana

RUCA: 1.0

Census Tract: 0002.02

**Community Physician Group - South**

(Private, not-for-profit, eligible health care provider)

1211 South Reserve Street

Missoula, MT 59804

406-327-4073

Missoula County, Montana

RUCA: 1.0

Census Tract: 0009.00

**Community Physician Group - Stevensville**

(Private, not-for-profit, eligible health care provider)

3800 East Side Highway

Stevensville, MT 59870

406-327-4073

Ravalli County, Montana

RUCA: 10.1

Census Tract: 0002.00

**Community Medical Center - Palmer**

(Private, not-for-profit, eligible health care provider)

2685 Palmer Street #D

Missoula, MT 59808-1709

406-327-4073

Missoula County, Montana

RUCA: 1.0

Census Tract: 0002.01

3. Network Narrative: In the first quarterly report following the completion of the competitive bidding process and the selection of vendors, the selected participant must submit an updated technical description of the communications network that it intends to implement, which takes into account the results its network design studies and negotiations with its vendors. This technical description should provide, where applicable:
  - a. Brief description of the backbone network of the dedicated health care network, e.g. MPLS network, carrier-provided VPN, a SONET ring;

- b. Explanation of how health care provider sites will connect to or access the network, including the access technologies/services and transmission speeds;
- c. Explanation of how and where the network will connect to a national backbone such as NLR or Internet2;
- d. Number of miles of fiber construction, and whether the fiber is buried or aerial;
- e. Special systems or services for network management or maintenance (if applicable) and where such systems reside or are based.

As of close of reporting period ending **March 31, 2011**, the status of Health Information Exchange of Montana, Inc. (HIEM) RFPs is:

**RFP #1** to construct approximately 185 miles of fiber backbone from Whitefish to Conrad, Montana is 98% complete and payment in the amount of \$3,922,500 has been made. Hotel delivery and installation plus internal wiring and testing have been completed. HIEM inspection and sign-off was completed in January 2011 with formal transfer of this first section of fiber backbone anticipated in **April 2011**.

**RFP #2** Adesta, LLC has been selected to construct approximately 90 miles of fiber backbone from Kalispell to Libby, Montana; contract negotiation is nearly complete. Discussions continue with a potential excess capacity partners.

**RFP #3** Alamon Telco, Inc. has completed engineering "last mile" fiber links for health care provider sites on RFP #1 backbone; final payment was made on January 12, 2010.

**RFP #4** for temporary broadband links from Whitefish to Missoula, Montana was posted on September 30, 2010 with proposals due to HIEM by October 28, 2010. A modified RFP request was issued to all responding bidders on November 19, 2010 with a response deadline of November 30<sup>th</sup>. The Review Committee met on December 9<sup>th</sup> and selected vendors for each link for recommendation to the HIEM Board in January. **Contracts have been negotiated and 466 packages should be filed by first week of April.**

**RFP #5** for electronics/optronics purchase was posted on the USAC website and distributed to potential bidders on December 21<sup>st</sup> with an extended proposal deadline of January 28, 2011. **Review Committee has narrowed the field to two finalists and hopes to make a final decision in early April.**

**RFP #6** to construct a permanent fiber network between Whitefish and Missoula **was posted on March 28<sup>th</sup> with a proposal due date or April 25<sup>th</sup>.**

A map reflecting the complete vision for the HIEM fiber optic network is attached (page 19).

4. List of Connected Health Care Providers: Provide information below for all eligible and non-eligible health care provider sites that, as of the close of the most recent reporting period, are connected to the network and operational.

As of close of reporting period ending **March 31, 2011**, the Health Information Exchange of Montana, Inc. has no health care providers connected to the network and operational.

5. Identify the following non-recurring and recurring costs, where applicable shown both as budgeted and actually incurred for the applicable quarter and funding year to date.

As of close of reporting period ending **March 31, 2011**, the Health Information Exchange of Montana, Inc. has the following non-recurring or recurring costs to report for the applicable quarter and funding year to-date.

- a. Network design
- b. Network Equipment, including engineering and installation
- c. Infrastructure Deployment/Outside Plant
  - i. Engineering: \$124,568.12 paid
  - ii. Construction: \$5,230,000 budgeted; \$3,922,500 paid
- d. Internet2, NLR, or Public Internet Connection
- e. Leased Facilities or Tariffed Services
- f. Other Non-Recurring and Recurring Costs

6. Describe how costs have been apportioned and the sources of the funds to pay them:

As of close of reporting period ending **March 31, 2011**, the Health Information Exchange of Montana, Inc. has the following costs and financial support or anticipated revenues to report for the applicable quarter.

- a. Explain how costs are identified, allocated among, and apportioned to both eligible and ineligible network participants.  
All costs are eligible under FCC guidelines and have been paid by eligible participants.
- b. Describe the source of funds from:
  - i. Eligible and \$579,150 from University of Montana  
\$ 27,910 from Kalispell Regional Medical Center
  - ii. Ineligible Pilot Program network participants
- c. Show contributions from all other sources (e.g. local, state, and federal sources, and other grants)
  - i. Identify source of financial support and anticipated revenues that is paying for costs not covered by the fund and by the Pilot Program participants.
  - ii. Identify the respective amount and remaining time for such assistance.

7. Identify any technical or non-technical requirements or procedures necessary for ineligible entities to connect to the participant's network.

As of close of reporting period ending **March 31, 2011**, the Health Information Exchange of Montana, Inc. has no technical requirements or procedures necessary for ineligible entities to



connect to the participant's network to report, however, HIEM Board is developing a process to insure that ineligible sites pay their full cost of participation.

8. Provide an update on the project management plan, detailing:
  - a. The project's current leadership and management structure and any changes to the management structure since the last data report; and
  - b. In the first quarterly report, the selected applicant should provide a detailed project plan and schedule. The schedule must provide a list of key project deliverables or tasks, and their anticipated completion dates. Among the deliverables, participants must indicate the dates when each health care provider site is expected to be connected to the network and operational. Subsequent quarterly reports should identify which project deliverables, scheduled for the previous quarter, were met and which were not met. In the event a project deliverable is not achieved, or the work and deliverables deviate from the work plan, the selected participant must provide an explanation.
- a. As of close of reporting period ending March 31, 2011, the Health Information Exchange of Montana, Inc. has no changes in current leadership and management structure to report.
- b. The March 31, 2011 project plan and sequence for issuing RFPs to complete construction of the Health Information Exchange of Montana's fiber optic network is attached to this report (page 20).

HIEM acknowledges and appreciates the Wireline Competition Bureau's (WCB) extension of the deadline to apply for funding commitments by one year, until June 2011. In extending the deadline, WCB recognized that RHCPP projects faced a variety of obstacles in meeting the original 2010 deadline including complex program requirements and processes, associated paperwork preparation time, a general downturn in the economy which made securing matching funds more difficult and the complexity of preparing and posting RFPs and negotiating contracts with vendors. For its part, HIEM has dedicated additional resources to the RHCPP effort during this extension and, as demonstrated above, has made significant progress on its network development. However, all of the obstacles previously identified by WCB continue to present challenges today. As a result, accomplishing fully the objectives set forth in our RHCPP application will require more time than allowed given the existing June 30, 2011 deadline to apply for funding commitments.

For this and other related reasons, HIEM applied to the WCB on December 22, 2010 for an additional nine month extension until March 31, 2012 in order to select vendors and apply for Funding Commitment Letters. HIEM representatives met with WCB staff on March 28, 2011 to discuss issues related to our requests for an extension as well as additional RHCPP funding.



9. Provide detail on whether network is or will become self-sustaining. Selected participants should provide an explanation of how network is self-sustaining.

#### Health Information Exchange of Montana Sustainability Plan

Approved January 14, 2011

In 2008, the **Health Information Exchange of Montana (HIEM)** was awarded \$13,600,000 by the FCC Rural Health Care Pilot Program (RHCPP) to implement a new fiber network connecting healthcare facilities in Browning, Conrad, Cut Bank, Kalispell, Libby, Ronan, Shelby and Whitefish. The **HIEM** is a not-for-profit collaborative of healthcare providers in communities across northwest and northcentral Montana established to develop and share electronic health information and to improve patient care throughout a shared service area.

In an area with limited or no connection to Internet2 or National Lambda Rail, the FCC Rural Health Care Pilot Program will allow for deployment of a new network to connect facilities to enable distance medical consultation, electronic record keeping and exchange, disaster readiness, clinical research, and distance education services.

The RHCPP project will provide fiber connections from Kalispell to Browning, Conrad, Cut Bank, Libby, Missoula, Ronan, Shelby and Whitefish, and across the state to support long-standing shared goals of developing health technology to ensure better access, affordability and care for rural Montanans.

#### ***Details of HIEM Plan for Sustainability***

- 15% Funding Match: The HIEM has and will continue to use a variety of sources of funding for the required match including partnering with the University of Montana and other academic institutions providing health care education; seeking federal grants such as broadband stimulus opportunities through NTIA and USDA; member assessments and contributions; contracts for excess capacity (developed on a case-by-case basis) when appropriate; and drawing on a line of credit from a local financial institution if necessary. Other than potential federal grant restrictions that could develop in the future, none of these sources of funding have restrictions other than those with academic institutions. For example, our partnership with the University of Montana provides for access to *excess bandwidth* at market rate for non-health care educational programming as requested and available.
- Projected sustainability period: As part of the HIEM's "future-proof" philosophy, we are entering into long term agreements for a minimum of 25 years to ensure participating sites have access to significant bandwidth for years to come and won't find themselves struggling for adequate connectivity in only a short period and having to revisit development of broadband infrastructure yet again. Projecting sustainability forward for this long a period involves making several major assumptions which are included in the next section on Principal Factors and Budget.



- Network Membership: There are two categories of members within the HIEM's fiber project – organizational and participating. Organizational members are involved in the governance structure under the HIEM's 501(c)(3) Articles of Incorporation and Bylaws while participating members are "customers" of the fiber project and have agreed per their Letter of Agency to access bandwidth within the HIEM network. All members are eligible healthcare providers under the FCC definition and are treated the same for purposes of their financial commitment to the HIEM fiber project.

To define HIEM's plan for long-term sustainability of this network, the HIEM Board of Directors developed and approved in October 2008 a mechanism whereby healthcare and educational institutions contribute to defray the costs of using HIEM services which are the result of this RHCPP-funded project. In exchange for access to the HIEM network, each HIEM member, organizational or participating, will contribute the same dollar amount they are being charged at present, for T1, 500 MG, and GigaE services. The HIEM Board of Directors recognizes that access to this additional bandwidth is a significant increase over current broadband connections, but determined that given the mission of the FCC program and the capacity of this network, this is a fair point to begin.

The HIEM Board of Directors has tasked itself to observe and revisit its contribution rates after two years of network operation, to ensure that this structure provides no subsidies from HIEM and also allows for the accrual of a fund for equipment maintenance, repair, replacement and upgrades. In the sustainability budget presented below, it is assumed that member fees will increase beginning in year 5 with additional increases to be assessed periodically throughout the sustainability period.

While inclusion of non-eligible members is not anticipated within the HIEM's sustainability plan, a small number of for-profit health care providers (specifically, private physician clinics), generally affiliated with one of our non-profit members, may request to join the network during the sustainability period. When this occurs they will be expected to pay a fair share price or market rate for connectivity provided using a formula approved by USAC.

- Excess Capacity: When HIEM first developed a sustainability plan, the FCC had not yet issued its *Excess Bandwidth and Excess Capacity Scenarios* guidance document (March 2009), hence no revenue or related expense for excess facilities were included in the original sustainability plan.

On March 19, 2010, the HIEM requested approval to incorporate excess capacity facilities on an incremental cost basis within its fiber backbone from Whitefish to Conrad, Montana to ensure the short-term success and long-term sustainability of the HIEM fiber network. Approval of our request was received from USAC on April 16, 2010. This updated HIEM Sustainability Plan reflects the addition of these excess capacity facilities in the budget provided below.

- Ownership Structure: HIEM is a 501(c)(3) non-profit corporation formed in October 2006 with a governing Board of thirteen representing all organizational and elected



members. All network elements will be owned by the HIEM with individual participants responsible for providing internal hardware and software required to connect to the network. When necessary HIEM will enter into short-term lease agreements with telecommunications vendors to ensure connectivity to all participating sites while constructing/securing their dedicated fiber network.

- Sources of Future Support: The HIEM will rely on fees from eligible network members, revenue from non-eligible partners as well as potential funding from excess capacity agreements to support sustainability of the network. To date, no excess capacity agreements have been completed, but HIEM will seek extensive input from USAC as they are developed. As specific opportunities are approved they will be reflected in future revisions to this sustainability plan.
- Management: HIEM staffing currently includes a full-time employed Executive Director, part-time contracted System Administrator and contracted technical services support from anchor member, Kalispell Regional Medical Center. These administrative costs are covered through grants and a cost sharing formula among network members and are reflected in the budget below as single line items. As the network moves to an operational versus development phase, additional technical and management resources are anticipated and are also incorporated into the budget below.

#### **Principal Factors (Assumptions) of Sustainability Budget:**

##### **Revenue:**

- Rural Health Care Pilot Project revenue reflects 85% of actual cost to date for network construction drawn against Funding Commitment Letters issued by the FCC/USAC.
- 15% Matching Funds reflect HIEM contribution towards actual cost to date for network construction per Funding Commitment Letters issued by the FCC/USAC. Source of these funds is included in Quarterly Reports filed with the FCC
- Network Members will contribute the same amount for connection to the HIEM network as they are currently paying to their broadband provider(s) regardless of their current bandwidth. Every four years the budget reflects a 5% increase in member contribution levels.
- Non-Network Members: The HIEM has identified a non-healthcare partner willing to exchange bandwidth within the HIEM's excess capacity in return for providing connections to eligible healthcare providers on the eastside of the Continental Divide (Browning to Conrad) plus ongoing monitoring and maintenance in that section of the network. Exchanged bandwidth is valued at \$6,000/month or \$72,000/year throughout the life of the contract based on estimated construction costs for these local connections (\$1.2M) plus the cost of electronics/optronics to light the connections (\$960,000) if HIEM were to build the connections themselves.



- Administrative Grant(s) and Member Cost Sharing: The HIEM received a 3-year grant in May 2008 from the Federal Office of Rural Health Policy to support establishment of the HIEM network. This award provides \$180,000/year to assist in offsetting administrative and operational costs. The HIEM continually monitors and pursues other grant funding that will assist with network development costs. In addition, HIEM organizational members have established a cost sharing formula to pay all operating expenses not covered by grant funding. This line item reflects the sum of revenues required to offset Management/Personnel costs included in the budget.

Expense:

- RHCPP RFP expense reflects actual total approved cost to date for network construction.
- Electronics/optronics to light HIEM network fiber (following competitive RFP process) will require ongoing monitoring and routine maintenance at an initial estimated cost of \$60,000/year. The budget reflects an 8% increase in this cost every 5 years.
- CyberSecurity Insurance provides protection against unauthorized access to HIEM fiber network and data exchange activities. Budget is based on current actual cost with incremental increases as the network expands to additional communities and to reflect inflation.
- Eastside Healthcare Connection in-kind costs reflect the approximate fair market value (\$1.56M) for lease of one pair of excess capacity fibers to support the bandwidth exchange with a non-network member (see above) for the 30 year term of the agreement. The remaining estimated value of the bandwidth exchange is allocated to fiber monitoring and maintenance below based on the terms of the exchange agreement.
- Fiber monitoring and maintenance will be provided under agreement with a local contractor with necessary experience and resources to ensure 24/7 response. A portion of these costs (\$20,000 annually) will be provided on an in-kind basis through the non-network member bandwidth exchange described above. Budget reflects annual increases in cost as the network builds out followed by an 8% increase every 3 years on the non-in-kind portion of this line item beginning in year 7.
- Technical and engineering consulting during sequential construction of fiber network. Cost declines as various segments of network are completed. Budget reflects a small amount (\$5000) of technical consulting on an ongoing basis for network management issues that may arise.
- Legal fees are budgeted at a declining amount throughout the initial 5 year period to reflect completion of various sections of the network. This expertise is needed for RFP review and vendor contracting as well as excess capacity partnership development. Ongoing legal expenses are budgeted at a flat \$10,000 beginning in year 6.

- Management/Personnel expense reflects annual costs for the HIEM's employed Executive Director, part-time System Administrator and contracted technical services support from Kalispell Regional Medical Center. Executive Director salary and benefits are increased by 3% per year; System Administrator contract reflects increasing hours from 24/month to 87/month over the first four years and then .5 FTE status through the remainder of the plan with 5% cost increases each three years beginning in Year 6; technical services support expense in Year 1 & 2 is based on current contract rate with a 3% annual cost increase beginning in Year 3. These costs are directly offset by revenue in the Administrative Grant(s) and Member Cost Sharing line item above.

#### Equipment Replacement Fund:

- Fiber optronics/electronics will need to be upgraded or replaced after several (assumed to be 10) years of operation. Net revenues of the network will be accumulated on an annual basis in an equipment replacement fund for this purpose.



HEM FIBER BUDGET		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20	Year 21	Year 22	Year 23	Year 24	Year 25
REVENUE																										
Rural Health Care Pilot Program		\$3,334,126	\$106,250																							
15% Matching Funds		\$598,215	\$118,750																							
Network Members																										
Control		\$9,600	\$9,600	\$9,600	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,560	\$10,560	\$10,560	\$10,560	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040
Surgery		\$9,600	\$9,600	\$9,600	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,560	\$10,560	\$10,560	\$10,560	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040
Blowing		\$9,600	\$9,600	\$9,600	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,560	\$10,560	\$10,560	\$10,560	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040
Buckskin Trail Camps		\$9,600	\$9,600	\$9,600	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,560	\$10,560	\$10,560	\$10,560	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040
Cave Bank		\$9,600	\$9,600	\$9,600	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,560	\$10,560	\$10,560	\$10,560	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040
Lobby		\$9,600	\$9,600	\$9,600	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,560	\$10,560	\$10,560	\$10,560	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040
Rooftop		\$9,600	\$9,600	\$9,600	\$10,080	\$10,080	\$10,080	\$10,080	\$10,080	\$10,560	\$10,560	\$10,560	\$10,560	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040	\$11,040
1 T1 & 10T6		\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180
Whistler		\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180
500 Mbps		\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180	\$24,180
Subtotal		\$73,200	\$76,800	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740	\$124,740
Non-Network Members																										
Bonded Exchange (In-kind)		\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000	\$72,000
Administrative Grants(s) and		\$196,275	\$216,500	\$237,095	\$249,857	\$265,793	\$284,507	\$304,507	\$324,948	\$344,948	\$364,948	\$384,948	\$404,948	\$424,948	\$444,948	\$464,948	\$484,948	\$504,948	\$524,948	\$544,948	\$564,948	\$584,948	\$604,948	\$624,948	\$644,948	\$664,948
Member Cost Sharing		\$196,275	\$216,500	\$237,095	\$249,857	\$265,793	\$284,507	\$304,507	\$324,948	\$344,948	\$364,948	\$384,948	\$404,948	\$424,948	\$444,948	\$464,948	\$484,948	\$504,948	\$524,948	\$544,948	\$564,948	\$584,948	\$604,948	\$624,948	\$644,948	\$664,948
Total Revenue		\$4,263,975	\$400,300	\$433,835	\$446,597	\$466,313	\$495,087	\$524,948	\$554,948	\$584,948	\$614,948	\$644,948	\$674,948	\$704,948	\$734,948	\$764,948	\$794,948	\$824,948	\$854,948	\$884,948	\$914,948	\$944,948	\$974,948	\$1,004,948	\$1,034,948	\$1,064,948
EXPENSE																										
RUGPP REPS		\$3,922,500	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electronics/Supplies/Monitoring																										
and Maintenance		\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
CyberSecurity Insurance		\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000	\$60,000
Extracurricular Activities (In-kind)		\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000	\$52,000
2027 Monitoring & Fees		\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Maintenance (Part In-kind)		\$18,000	\$15,000	\$12,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000	\$6,000
Legal Fees		\$24,000	\$18,000	\$18,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
Management/Personnel		\$196,275	\$216,500	\$237,095	\$249,857	\$265,793	\$284,507	\$304,507	\$324,948	\$344,948	\$364,948	\$384,948	\$404,948	\$424,948	\$444,948	\$464,948	\$484,948	\$504,948	\$524,948	\$544,948	\$564,948	\$584,948	\$604,948	\$624,948	\$644,948	\$664,948
Total Expense		\$4,263,975	\$400,300	\$433,835	\$446,597	\$466,313	\$495,087	\$524,948	\$554,948	\$584,948	\$614,948	\$644,948	\$674,948	\$704,948	\$734,948	\$764,948	\$794,948	\$824,948	\$854,948	\$884,948	\$914,948	\$944,948	\$974,948	\$1,004,948	\$1,034,948	\$1,064,948
Equipment/Replacement Fund Contribution		\$15,200	\$25,800	\$8,740	\$11,740	\$15,080	\$20,580	\$26,877	\$34,577	\$43,881	\$54,881	\$67,881	\$82,881	\$99,881	\$118,881	\$139,881	\$162,881	\$187,881	\$214,881	\$244,881	\$277,881	\$314,881	\$354,881	\$397,881	\$444,881	\$494,881

10. Provide detail on how the supported network has advanced telemedicine benefits:
  - a. Explain how the supported network has achieved the goals and objectives outlined in selected participants' Pilot Program application;
  - b. Explain how the supported network has brought the benefits of innovative telehealth and, in particular telemedicine in services to those areas of the country where the need for those benefits is most acute;
  - c. Explain how the supported network has allowed patients access to critically needed medical specialists in a variety of practices without leaving their homes or communities;
  - d. Explain how the supported network has allowed health care providers access to government research institutions, and or academic, public, and private health care institutions that are repositories for medical expertise and information;
  - e. Explain how the supported network has allowed health care professionals to monitor critically ill patients at multiple locations around the clock, provide access to advanced applications in continuing education and research and/or enhance the health care community's ability to provide a rapid and coordinated response in the event of a national crisis.

As of close of reporting period ending **March 31, 2011**, the Health Information Exchange of Montana, Inc. has no detail yet to report on promotion of telehealth and telemedicine by this project throughout the service area for the applicable quarter and funding year to-date.

11. Provide detail on how the supported network has complied with HHS IT initiative:
  - a. Explain how the supported network has used Health IT systems and products that meet interoperability standards recognized by the HHS Secretary;
  - b. Explain how the supported network has used health IT products certified by the Certification Commission for Healthcare Information Technology;
  - c. Explain how the supported network has used resources available at HHS's Agency for HHIN trial implementations;
  - d. Explain how the supported network has used resources available at HHS's Agency for Healthcare Research and Quality (AHRQ) National Resource Center for Health Information Technology;
  - e. Explain how the selected participant has educated themselves concerning the Pandemic and All Hazards Preparedness Act and coordinated with the HHS Assistant Secretary for Public Response as a resource for telehealth inventory and for the implementation of other preparedness and response initiatives; and
  - f. Explain how the supported network has used resources available through HHS's Centers for Disease Control and Prevention (CDC) Public Health Information Network (PHIN) to facilitate interoperability with public health and emergency organizations.

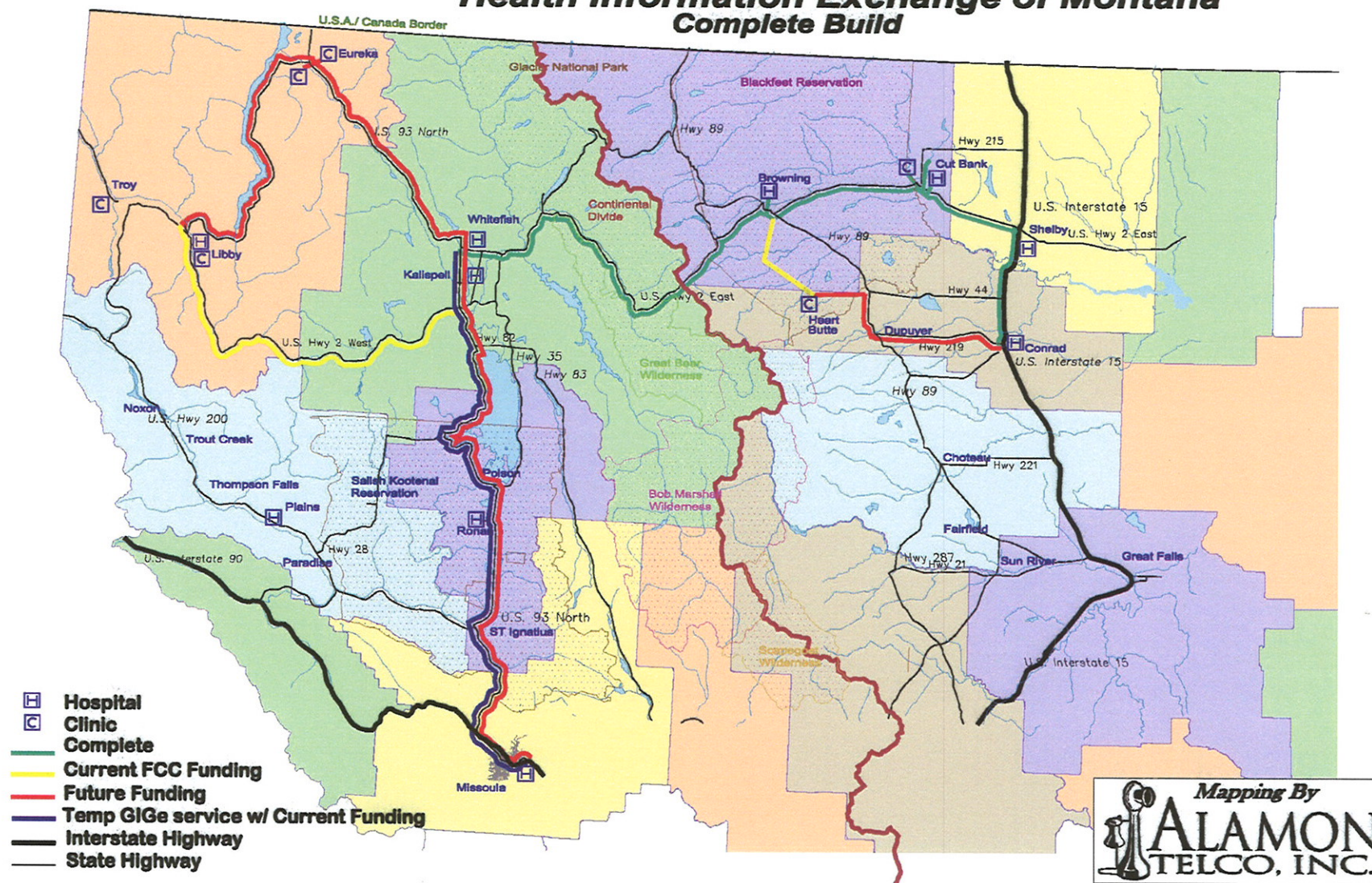
As of close of reporting period ending **March 31, 2011**, the Health Information Exchange of Montana, Inc. has no detail to report regarding how the project has complied with HHS IT initiatives for the applicable quarter and funding year to-date.

12. Explain how the selected participants coordinated in the use of their health care networks with the Department of Health and Human Services (HHS) and, in particular with its Centers for Disease Control and Prevention (CDC) in instances of national, regional, or local public health emergencies (e.g., pandemics, bioterrorism). In such instances, where feasible, explain how selected participants provided access to their supported networks to HHS, including CDC and other public health officials.

As of close of reporting period ending **March 31, 2011**, the Health Information Exchange of Montana, Inc. has no detail to report on how this project has coordinated in the use of health care networks with Department of Health and Human Service, Centers for Disease Control and other public health officials for the applicable quarter and funding year to-date.



## Health Information Exchange of Montana Complete Build





## Health Information Exchange of Montana Broadband Build

FCC Award RFP's		REVISED 3/31/11			
			(In 1000s)		
			Total	FCC 85%	Match 15%
2009					
	1	12 Pairs of Fiber - Whitefish to Conrad	5230	4446	784
		Status: Awarded to BNSF November 2008; completion scheduled 4/11			
	2	Broadband Link - Libby to KRMC (Fiber)	3186	2708	478
		Status: Awarded to Adesta. LLC; negotiating with excess capacity partners			
	3	Engineering Spurs to RFP #1 Facilities & Heart Butte Link	125	106	19
		Status: Awarded to Alamon Telco, Inc.; COMPLETE			
2010					
	4	Temporary Broadband Links Whitefish to Missoula (2 year contract with two 2 year renewals)	500	425	75
		Status: RFP posted 9/30/10; proposals received; contracts negotiated; 466 packages in draft			
	5	Electronics/Optronics for All Links	2000	1700	300
		Status: RFP posted 12/21/10; proposals received and narrowed to finalists			
	6	Permanent Broadband Links – Whitefish to Missoula (partial)	4959	4215	744
		Status: Posted 3/28/11; proposals due 4/25/11			
		<b>Funded Subtotal</b>	16000	13600	2400
Future Funding Request					
	6	Permanent Broadband Links – Whitefish to Missoula (partial)	5241	4455	786
		Status: Posted 3/28/11; proposals due 4/25/11			
	7	Broadband Link - Libby to Kalispell (close loop)	9450	8032	1418
		Status: None			
	8	Broadband Link - Browning to Heart Butte (close loop)	1000	850	150
		Status: None			
		<b>Unfunded Subtotal</b>	15691	13337	2354
		<b>TOTAL</b>	31691	26937	4754